

ORIGINAL

OPEN MEETING ITEM

COMMISSIONERS
KRISTIN K. MAYES – Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP



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MICHAEL P. KEARNS
Interim Executive Director

ARIZONA CORPORATION COMMISSION 2009 JUN 8 3:33

DATE: JUNE 8, 2009

AZ CORP COMMISSION
DOCKET CONTROL

DOCKET NO: T-04126A-07-0476
TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Sarah N. Harpring. The recommendation has been filed in the form of an Order on:

SANTRAC TECHNOLOGIES, INC.
(CANCEL CC&N)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

JUNE 17, 2009

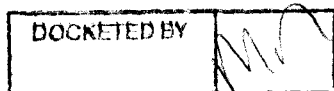
The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

JUNE 23, 2009 and JUNE 24, 2009

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission
DOCKETED

JUN - 8 2009



MICHAEL P. KEARNS
INTERIM EXECUTIVE DIRECTOR

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This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail SABernal@azcc.gov

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 KRISTIN K. MAYES, Chairman
4 GARY PIERCE
5 PAUL NEWMAN
6 SANDRA D. KENNEDY
7 BOB STUMP

8 IN THE MATTER OF THE APPLICATION OF
9 SANTRAC TECHNOLOGIES, INC. TO CANCEL
10 ITS CERTIFICATE OF CONVENIENCE AND
11 NECESSITY TO PROVIDE
12 TELECOMMUNICATIONS SERVICES IN
13 ARIZONA.

DOCKET NO. T-04126A-07-0476

DECISION NO. _____

ORDER

11 Open Meeting
12 June 23 and 24, 2009
13 Phoenix, Arizona

14 **BY THE COMMISSION:**

15 * * * * *

16 Having considered the entire record herein and being fully advised in the premises, the
17 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

18 **FINDINGS OF FACT**

19 1. On October 6, 2003, in Decision No. 66392, SanTrac Technologies, Inc. ("SanTrac")
20 was granted a Certificate of Convenience and Necessity ("CC&N") to provide competitive resold
21 local exchange telecommunications services in Arizona.

22 2. On August 15, 2007, SanTrac filed with the Commission a letter requesting immediate
23 cancellation of its CC&N as it was no longer serving customers in Arizona.

24 3. On August 27, 2007, the Commission's Utilities Division Staff ("Staff") issued a
25 Letter of Insufficiency and First Set of Data Requests to SanTrac.

26 4. On November 15, 2007, Staff issued a Letter of Insufficiency and Second Set of Data
27 Requests to SanTrac.

28 5. On April 22, 2009, a Procedural Order was issued directing Staff to file an update in

1 this matter by May 20, 2009, as nothing further had been filed in the docket.

2 6. On May 20, 2009, Staff filed an Update in this matter along with its Staff Report
3 recommending that SanTrac's CC&N to provide competitive resold local exchange services be
4 cancelled.

5 7. In the Update, Staff stated that Staff never received any responses to either of Staff's
6 Data Requests or to various e-mails sent to SanTrac. However, Staff stated that it has had several
7 conversations with the President of SanTrac regarding the information requested from SanTrac.

8 8. In the Staff Report, Staff stated that SanTrac's President informed Staff via telephone
9 that SanTrac has never provided service to any customers in Arizona, which Staff said is consistent
10 with SanTrac's 2005 Annual Report. Staff also stated that SanTrac's President reported that because
11 SanTrac never provided service in Arizona, it never collected any advanced payments, deposits,
12 and/or prepayments. In addition, SanTrac never procured the \$25,000 performance bond required by
13 Decision No. 66392.

14 9. Staff's Consumer Services Section reported that no complaints, inquiries, or opinions
15 were filed regarding SanTrac from January 1, 2004, to May 20, 2009.

16 10. Staff reported that SanTrac is not in good standing with the Commission's
17 Corporations Division. The Corporations Division reported that SanTrac went out of good standing
18 as of August 23, 2007, for failure to file its 2007 annual report, and was administratively dissolved as
19 of November 7, 2008.

20 11. Staff recommends approval of SanTrac's application to cancel its CC&N to provide
21 competitive resold local exchange telecommunications services in Arizona. Staff also recommends
22 that the requirements of Arizona Administrative Code ("A.A.C.") R14-2-1107 be waived because
23 SanTrac has never provided service to customers in Arizona and does not currently have any
24 customers in Arizona. Staff further recommends the withdrawal of SanTrac's tariffs on file with the
25 Commission.

26 12. A.A.C. R14-2-1107(A)(2) and (4) and (B), which impose notice and other
27 requirements upon a competitive telecommunications provider that intends to discontinue service, do
28 not apply to a telecommunications provider that has never provided telecommunications service in

1 Arizona. (Decision No. 70040 (December 4, 2007).)

2 13. Staff's recommendation to cancel SanTrac's CC&N to provide competitive resold
3 local exchange telecommunications services is reasonable and should be adopted.

4 **CONCLUSIONS OF LAW**

5 1. SanTrac is a public service corporation within the meaning of Article XV of the
6 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

7 2. The Commission has jurisdiction over SanTrac and the subject matter of the
8 application.

9 3. A.A.C. R14-2-1107(A)(2) and (4) and (B) do not apply to SanTrac as to its CC&N to
10 provide competitive resold local exchange telecommunications services because SanTrac has never
11 provided resold local exchange telecommunications services in Arizona.

12 4. The cancellation of SanTrac's CC&N to provide competitive resold local exchange
13 telecommunications services in Arizona is in the public interest.

14 **ORDER**

15 IT IS THEREFORE ORDERED that SanTrac Technology, Inc.'s Certificate of Convenience
16 and Necessity to provide competitive resold local exchange telecommunications services in the State
17 of Arizona, granted in Decision No. 66392 (October 6, 2003), is hereby cancelled.

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IT IS FURTHER ORDERED that the Utilities Division shall update the compliance status for Docket No. T-04126A-02-0583 consistent with the cancellation of the Certificate of Convenience and Necessity granted to SanTrac Technologies, Inc. under that Docket.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, MICHAEL P. KEARNS, Interim Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this ____ day of _____, 2009.

MICHAEL P. KEARNS
INTERIM EXECUTIVE DIRECTOR

DISSENT

DISSENT

SNH:db

1 SERVICE LIST FOR: SANTRAC TECHNOLOGIES, INC.

2 DOCKET NO.: T-04126A-07-0476

3
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